

AUDIT COMMITTEE - MINUTES

Minutes of the Audit Committee held virtually on 26th November 2020 at 4pm

Trustees: Mr D Austin (Chair), Mr T Lister, Mr A Stittle.

Also Present: Dr Blunden (Chief Executive), Mrs J Brinson (Director of Business and Finance), and Mrs B Couch (Governance Officer and clerk to board), Ms Alison Oliver (Bishop Fleming – for item 2)

Item	Decision	Action
1.	<p>Welcome, Introductions and Apologies</p> <p>The Chair welcomed members, thanked them for their time and introduced Ms Alison Oliver from Bishop Fleming.</p>	
2.	<p>Trustee report and audited accounts for 2019/20</p> <p>The Auditors presented the Trustees Report and Audited Accounts for 2019/20 to the Committee. The Auditor also presented the Key Issues Discussion Document (KIDD) to the Committee to highlight the key issues affecting the audit and its preparation for the financial year ended 31st August 2020.</p> <p>The Committee REVIEWED the KIDD paper and the Trustees DISCUSSED the key risks encountered by the Auditors in the completion of the audit. During the discussion a range of risks were explored and clarification was provided by the Audit Manager and the Director of Finance and Business in relation to the following:</p> <p>Income recognition – additional SCA income identified which had not been accrued into the accounts – this has now been accrued for.</p> <p>Register of interest isn't maintained as a live document – this is an issue which needs addressing.</p> <p>Individual school's negative carry forward – actions plans have been implemented in both schools in order to return them both to a surplus position.</p> <p>Settlement agreement – given the situation and the advice received, this appears a reasonable result.</p> <p>Cash position – this is a stronger position than last year and trustees are content that the Trust as a going concern is secure.</p> <p>Audit insights show a consistent number of journals each month – this data looks normal.</p>	<p>Governance Officer</p>

	<p>Trustees QUESTIONED the energy report and QUERIED whether this is a good result – they were INFORMED that there is currently no benchmarking data to compare this to but it is in line with other Trusts that Bishop Fleming have audited. Trustees were INFORMED that the electricity supply is from 100% renewable sources. Bishop Fleming will look if benchmarking this information would be useful in future.</p> <p>The Committee RECOMMENDED approval of both the Trustees Report and Audited Accounts for 2019/20 to the Board.</p> <p>The Committee CONSIDERED the Annual Report and Financial Statements presented by the Auditor. Overall the Auditor concluded that the Trust was in a sound financial position, that systems and controls were good and that the Trust had good financial procedures in place. Overall a clean, unqualified audit was CONFIRMED by the Auditor.</p> <p>Following discussion, the Committee noted:</p> <ul style="list-style-type: none"> • The pension deficit is significant but no more so than other Trusts • The Cashflow and position of accounts are as would be expected • The £71k carry forward of Restricted Funds relates largely to unspent sports premium – due to Covid the ESFA have allowed any unspent to be to carried over to 2020/21 • The £144k Restricted Fund relates to Cape Cornwall School and was a specific grant for support of school improvement and will be spent over the next 5 years • The redundancy payments relate to a number of individuals in different schools across the Trust as a result of staff reorganisations.. <p>The Committee RECOMMENDED approval of both the Trustees Report and Audited Accounts for 2019/20 to the Board.</p> <p>The Chair expressed the thanks of the Committee to both the Auditors and the Director of Business and Finance for all the hard work of their Teams in producing the annual accounts.</p>	
<p>3.</p>	<p>Minutes and matters arising</p> <p>The Minutes of the meeting held on 16th June 2020 were APPROVED as an accurate record of proceedings and will be signed by the chair at the next face to face meeting.</p> <p><u>Internal auditors visiting schools</u></p> <p>Trustees NOTED the external auditors undertake visits to schools, internal auditors could be asked to but the value of these visits would need investigating.</p>	<p>Governance Officer</p>
<p>4.</p>	<p>Audit and Risk Committee Terms of Reference Review</p> <p>Trustees APPROVED the draft terms of reference which cover the new requirements outlined in the Academies Financial Handbook</p>	

	and noted that in future the committee will be responsible for looking at non-financial risks as well as those which are financial.	
5.	<p>Risk Register Update</p> <p>Trustees were INFORMED that the risk register is treated as a live document and is continuously kept under review. Trustees QUESTIONED whether the committee should be targeting some of the risks further and were INFORMED that the internal auditors will assist Trustees in scrutinising further areas.</p>	
6.	<p>Teachers Pensions end of year certificate</p> <p>Trustees NOTED the Teachers Pensions Authority End of Year Certificate (EOYC) for 2019/20 – this was submitted in accordance with the set timelines but was late being brought to the committee this year due to both Covid and the changeover of payroll providers.</p>	
7.	<p>Any other business</p> <p>None</p>	
8.	<p>Date of next meeting</p> <p>Tuesday 20th April 2021 at 4pm</p>	